

Code Rules: A Playbook for Managing at the Crossroads

By making meaning from the digital information that surrounds people, organizations and devices, businesses can create unprecedented levels of value.

Think for a moment about your personal mobile and computing gadgets. Now think about all the things you do with them: connect with friends, play games, manage your money, read books, work, watch movies, listen to music, monitor your fitness, get directions, buy any number of products, and so on.

Now imagine all the digital information flowing daily between every “computing” device – tablets, mobile phones, gaming consoles, and “things” (cars, televisions, airplanes, even toothbrushes). Each is now surrounded by a blanket of invisible energy. But it’s not electricity; it’s a halo of digital information connecting people, organizations, processes and devices.

Every click, swipe, “like,” buy, comment, deposit, jog and search produces information that creates a unique virtual identity – something we call a Code Halo.™ Code Halos are important to us as individuals – most of us generate and share digital information every day (see Figure 1). What’s critical is that Code Halos are also vital to future business success.

Historically, if you made the best product for the money, or provided the best customer service, your business would succeed. But that’s no longer the case. It’s still essential to have great products and people, but future-ready businesses understand that it’s the digital information – the Code Halos – that customers, products, partners and employees build and share that can create unprecedented levels of insight and business value.

Your Personal Code Halo



Figure 1

The Crossroads Model: Winning with Code Halos

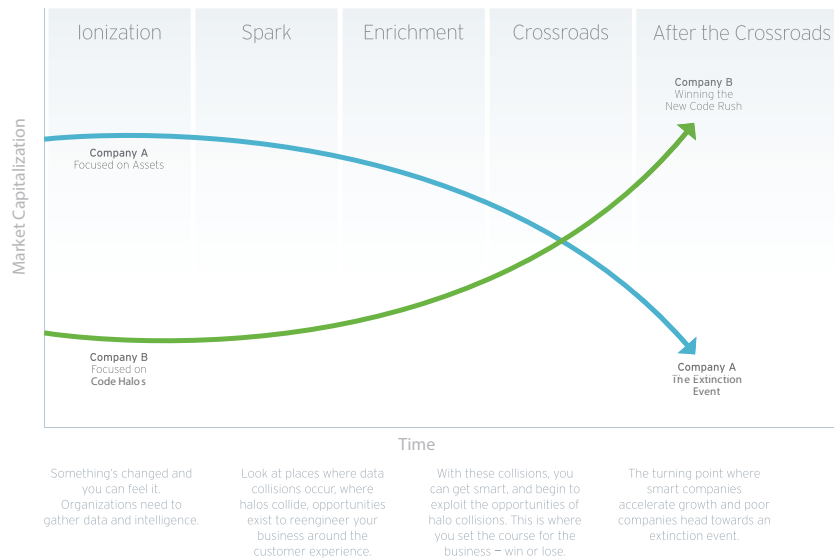


Figure 2

Amazon beating Borders ... Netflix knocking off Blockbuster ... Apple acing Kodak – these are not isolated or random events. Instead, they are canaries in the coal mine. Traditional companies, as well as those “born digital,” are now harnessing the power of Code Halos. GE is creating “Brilliant Machines” ... Disney is launching the “Magic Band” at its theme parks ... Allstate uses a mobile telematics device and analytics to transform auto insurance ... Nike has gained tremendous traction with its “Fuel Band.”

The list of early winners – and losers – is growing every day. In fact, market leadership in more than a dozen industries has already “flipped,” with new entrants overtaking established leaders by competing on Code Halos.

There is a clear pattern – what we call The Crossroads Model™ – that explains how Code Halos are forever changing business (see Figure 2). By decoding the digital information contained in Code Halos, leaders in industries ripe for disruption – banking, insurance, manufacturing, healthcare and others – can embrace a new business-technology model and avoid their own “extinction events.”

Winning companies – those that attract customers, build shareholder value and become industry leaders – will be the ones that master the new rules of the Code Halo economy.

The game is on, and things are going to get very interesting.

About Cognizant

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